

Claims

What is claimed is:

1. A computer based method for determining a price associated with a warranty for equipment in a transaction, including:

establishing an identifier associated with the equipment;

establishing a first set of warranty characteristics;

determining a baseline premium based on the identifier and the first set of warranty characteristics;

establishing a second set of warranty characteristics;

determining at least one modifier as a function of the second set of warranty of characteristics; and,

modifying the baseline premium as a function of the at least one modifier to determine the warranty price.

2. A computer based method, as set forth in claim 1, wherein the step of establishing an identifier associated with the equipment includes the steps of:

establishing a product family;

providing a list of model numbers associated with the product family; and,

selecting the identifier from the list of model numbers.

3. A computer based method, as set forth in claim 1, wherein the first set of warranty characteristics includes at least one of a term and a number of hours.

4. A computer based method, as set forth in claim 1, wherein the first set of warranty characteristics includes a geographic region.

5. A computer based method, as set forth in claim 1, including the step of selecting a term for the warranty.

6. A computer based method, as set forth in claim 5, wherein the term includes a number of years and the step of determining a base line premium includes the steps of:

determining a parts premium; and,
determining a labor premium.

7. A computer based method, as set forth in claim 6, wherein the step of determining a base line premium includes the step of determining a parts differential and a labor differential, wherein the base line premium is a function of the parts premium, the labor premium, the parts differential and the labor differential.

8. A computer based method, as set forth in claim 5, wherein the term has at least first and second sub-terms and the step of determining a baseline premium includes the step of determining a first term premium and a second term premium.

9. A computer based method, as set forth in claim 1, wherein the equipment includes first and second portions, the method including the step of selecting a term for the first portion and a term for the second portion.

10. A computer based method, as set forth in claim 1, wherein the equipment includes a powertrain and a hydraulics system and the method includes the steps of:

selecting a powertrain term for the powertrain; and,
selecting a hydraulics term for the hydraulics system.

11. A computer based method, as set forth in claim 10, wherein the powertrain term and the hydraulics term are defined by lengths of time since a purchase date.

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12. A computer based method, as set forth in claim 10, wherein the powertrain term and the hydraulics term are defined by hours of operation.

13. A computer based method, as set forth in claim 10, including the step of selecting a total equipment term for the equipment.

14. A computer based method, as set forth in claim 10, wherein the total equipment term is defined by a length of time since a purchase date.

15. A computer based method, as set forth in claim 10, wherein the total equipment term is defined by hours of operation.

16. A computer based method, as set forth in claim 1, wherein the equipment includes a powertrain and a hydraulics system and the method includes the steps of:

selecting a first powertrain term and a second powertrain term, the first powertrain term defined by a length of time since a purchase date and the second powertrain term defined by hours of operation;

selecting a first hydraulics term and a second hydraulics term, the first hydraulics term defined by lengths of time since a purchase date and the second hydraulics term defined by hours of operation.

17. A computer based method, as set forth in claim 16, including the step of selection a first total equipment term and a second total equipment term, the first total equipment term defined by a length of time since a purchase date and the second total equipment term defined by hours of operation.

18. A computer based method, as set forth in claim 1, wherein the second set of warranty characteristics warranty coverage.

19. A computer based method, as set forth in claim 18, including the steps of:

establishing a level of coverage of the equipment; and,
determining a coverage modifier as a function of the level of coverage.

20. A computer based method, as set forth in claim 19, wherein the equipment includes a first portion and a second portion, the level of coverage is one of warranty for the first portion and warranty for the first and second portions.

21. A computer based method, as set forth in claim 19, wherein the equipment includes a first portion and a second portion, the level of coverage is one of warranty coverage for the first portion, warranty coverage for the first and second portion, and total warranty coverage for the equipment.

22. A computer based method, as set forth in claim 20, wherein the first portion is a powertrain and the second portion is a hydraulics system.

23. A computer based method, as set forth in claim 1, wherein the second set of warranty characteristics includes a country of operation.

24. A computer based method, as set forth in claim 23, including the step of determining a country modifier as a function of the country of operation.

25. A computer based method, as set forth in claim 1, including the step of establishing a country of operation and wherein the second set of warranty characteristics includes an average number of hours of operation in the country of operation.

26. A computer based method, as set forth in claim 25, including the step of determining an average number of hours of operation modifier as a function of the country of operation and the identifier.

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27. A computer based method, as set forth in claim 1, including the step of determining a government modifier if the transaction is with a government.

28. A computer based method, as set forth in claim 1, including the step of determining a customer service agreement modifier if the transaction includes a customer service agreement.

29. A computer based method, as set forth in claim 1, including the steps of:

establishing an industry segment in which the equipment is to be used; and,

determining an industry segment modifier as a function of the industry segment and the identifier.

30. A computer based method determining a price associated with a warranty for equipment in a transaction, including:

establishing a product family;

providing a list of model numbers associated with the product family;

selecting an identifier from the list of model numbers;

establishing a first set of warranty characteristics, the first set of warranty characteristics including a term for the warranty;

determining a parts premium and a labor premium as a function of the term;

determining a baseline premium as a function of the identifier, the parts premium, and the labor premium;

establishing a second set of warranty characteristics;

determining at least one modifier as a function of the second set of warranty characteristics; and,

modifying the baseline premium as a function of the at least one modifier to determine the warranty price.

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31. A computer based method determining a price associated with a warranty for equipment in a transaction, including:

- establishing a product family;
- providing a list of model numbers associated with the product family;
- selecting an identifier from the list of model numbers;
- establishing a first set of warranty characteristics, the first set of warranty characteristics including a term for the warranty;
- determining a parts premium and a labor premium as a function of the term;
- determining a baseline premium as a function of the identifier, the parts premium, and the labor premium;
- establishing a level of coverage of the equipment, wherein the equipment as first and second portions and the level of coverage includes one of warranty for the first portion and warrant for the first and second portion;
- determining a coverage modifier as a function of the level of coverage; and,
- modifying the baseline premium as a function of the coverage modifier to determine the warranty price.

32. A computer based system for determining a price associated a warranty for equipment in a transaction, comprising:

- a database for storing actuarial data;
- a controller coupled to the database and being adapted to receive input from a user, responsively establish an identifier associated with the equipment, receive a first set of warranty characteristics and determine a baseline premium based on the identifier and the set of warranty characteristics and to establish a second set of warranty characteristics, determine at least one modifier as a function of the second set of warranty of characteristics, and modify the baseline premium as a function of the at least one modifier to determine the warranty price.

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33. A computer based system, as set forth in claim 32, wherein controller is further adapted to receive a product family, provide a list of model numbers associated with the product family, and allow the user to select the identifier from the list of model numbers.

34. A computer based system, as set forth in claim 32, wherein the first set of warranty characteristics includes at least one of a term and a number of hours.

35. A computer based system, as set forth in claim 32, wherein the first set of warranty characteristics includes a geographic region.

36. A computer based system, as set forth in claim 32, wherein the controller is adapted to allow the user to select a term for the warranty.

37. A computer based system, as set forth in claim 36, wherein the term includes a number of years and the controller is adapted to determine a parts premium and a labor premium.

38. A computer based system, as set forth in claim 37, wherein the controller is adapted to determine a parts differential and a labor differential, wherein the base line premium is a function of the parts premium, the labor premium, the parts differential and the labor differential.

39. A computer based system, as set forth in claim 36, wherein the term has at least first and second sub-terms and the controller is adapted to determine a first term premium and a second term premium.

40. A computer based system, as set forth in claim 32, wherein the equipment includes first and second portions and the controller is adapted to allow the user to select a term for the first portion and a term for the second portion.

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41. A computer based system, as set forth in claim 32, wherein the equipment includes a powertrain and a hydraulics system and the controller is adapted to allow the user to select a powertrain term for the powertrain and a hydraulics term for the hydraulics system.

42. A computer based system, as set forth in claim 41, wherein the powertrain term and the hydraulics term are defined by lengths of time since a purchase date.

43. A computer based system, as set forth in claim 41, wherein the powertrain term and the hydraulics term are defined by hours of operation.

44. A computer based system, as set forth in claim 41, wherein the controller is adapted to allow the user to select a total equipment term for the equipment.

45. A computer based system, as set forth in claim 41, wherein the total equipment term is defined by a length of time since a purchase date.

46. A computer based system, as set forth in claim 41, wherein the total equipment term is defined by hours of operation.

47. A computer based system, as set forth in claim 32, wherein the equipment includes a powertrain and a hydraulics system and the controller is adapted to allow the user to select first and second powertrain terms and first and second hydraulics terms, the first powertrain term defined by a length of time since a purchase date and the second powertrain term defined by hours of operation, the first hydraulics term defined by lengths of time since a purchase date and the second hydraulics term defined by hours of operation.

48. A computer based system, as set forth in claim 47, wherein the controller is adapted to allow the user to select a first total equipment term and a second total equipment term, the first total equipment term defined by

a length of time since a purchase date and the second total equipment term defined by hours of operation.

49. A computer based system, as set forth in claim 32, wherein the second set of warranty characteristics includes a warranty coverage.

50. A computer based system, as set forth in claim 49, wherein the controller is adapted to establishing a level of coverage of the equipment as a function of user input and to determine a coverage modifier as a function of the level of coverage.

51. A computer based system, as set forth in claim 50, wherein the equipment includes a first portion and a second portion, the level of coverage is one of warranty for the first portion and warranty for the first and second portions.

52. A computer based system, as set forth in claim 50, wherein the equipment includes a first portion and a second portion, the level of coverage is one of warranty coverage for the first portion, warranty coverage for the first and second portion, and total warranty coverage for the equipment.

53. A computer based system, as set forth in claim 51, wherein the first portion is a powertrain and the second portion is a hydraulics system.

54. A computer based system, as set forth in claim 32, wherein the second set of warranty characteristics includes a country of operation.

55. A computer based system, as set forth in claim 32, wherein the controller is adapted to determine a country modifier as a function of a country of operation.

56. A computer based system, as set forth in claim 32, wherein the controller is adapted to allow the user to establish a country of operation and

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wherein the second set of warranty characteristics includes an average number of hours of operation in the country of operation.

57. A computer based system, as set forth in claim 56, wherein the controller is adapted to determine an average number of hours of operation modifier as a function of the country of operation and the identifier.

58. A computer based system, as set forth in claim 32, wherein the controller is adapted to determine a government modifier if the transaction is with a government.

59. A computer based system, as set forth in claim 32, wherein the controller is adapted to determine a customer service agreement modifier if the transaction includes a customer service agreement.

60. A computer based system, as set forth in claim 32, wherein the controller is adapted to establish an industry segment in which the equipment is to be used and to determine an industry segment modifier as a function of the industry segment and the identifier.

61. A computer based system for determining a price associated a warranty for equipment in a transaction, comprising:

a database for storing actuarial data; and,

a controller coupled to the database and being adapted to allow a user to establish a product family, provide a list of model numbers associated with the product family and allowing the user to select an identifier from the list of model numbers, to establish a first set of warranty characteristics, determine a parts premium and a labor premium as a function of the term, and determine a baseline premium as a function of the identifier, the parts premium, and the labor premium, the first set of warranty characteristics including a term for the warranty, and to establish a second set of warranty characteristics, determine at least one modifier as a function of the second set of warranty characteristics, and

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computer readable program code means for determining at least one modifier as a function of the second set of warranty of characteristics; and,

computer readable program code means for modifying the baseline premium as a function of the at least one modifier to determine the warranty price.

64. A computer based method for determining a price associated with a warranty for a piece of equipment being sold or leased to a customer, comprising the steps of:

establishing a plurality of warranty characteristics, the plurality of warranty characteristics including a service repair history associated with the customer; and,

determining said warranty price in response to the plurality of warranty characteristics.

65. A computer based method, as set forth in claim 64, including the steps of:

determining a baseline premium as a function of the piece of equipment and at least a portion of the warranty characteristics;

determining a modifier in response to the service repair history associated with the customer; and,

modifying the baseline premium as a function of the modifier.

66. A computer based method, as set forth in claim 64, including the step of selecting a term for the warranty.

67. A computer based method, as set forth in claim 66, wherein the term includes a number of years and the step of determining a base line premium includes the steps of:

determining a parts premium; and,

determining a labor premium.

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68. A computer based method, as set forth in claim 64, wherein the equipment includes first and second portions, the method including the step of selecting a term for the first portion and a term for the second portion.

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